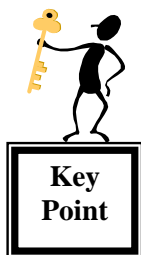


CHAPTER 15 — EMPLOYMENT OF ANNUITANTS

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1500 Rehired Annuitants



Under the provisions of Wis. Stat. §40.26 (1), as amended by 1995 Wisconsin Act 302, annuitants are required to have a minimum break in service before returning to WRS covered employment. Rehired annuitants who have fulfilled their required break in service **and** who meet the eligibility criteria as defined in Chapter 3 for participation under the WRS may **choose** to return to active WRS participation by completing a *Rehired Annuitant Election* (ET-2319). **This is the only time an employee may choose to participate or not participate in the WRS upon meeting the WRS eligibility requirements.**

In the event a rehired annuitant elects to return to active WRS coverage, the annuity is cancelled until the employee again retires and reapplies for an annuity. The employee earns creditable service and is eligible for ETF administered insurance benefits offered by the employer. Retirement contributions are due on the employee's earnings.

Should the annuitant elect not to return to active WRS coverage, the annuity continues but no creditable service is earned, the employee is ineligible for active insurance, and no retirement contributions are due. An election to participate can then be made at any time in the future. When hiring a new or former employee, employers are encouraged to perform a WRS previous service check to determine whether the employee is currently receiving an annuity from the WRS. (Refer to Chapter 24 for more information about previous service checks.)

A. Required Break in Service

Employees who terminate WRS-covered employment are ineligible for any benefit (including retirement annuities, lump-sum retirement benefits, and separation benefits) per Wis. Stat. § 40.23 (1) (a) 1., if they return to WRS-eligible employment before the **latest** of the following dates:

- The day after the annuity effective date;
- The 31st day after termination of participating employment.
- The 31st day after ETF receives the benefit application.

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The employee's annuity or lump-sum benefit will be canceled if the return to WRS-eligible employment occurs before this required break in service is fulfilled.

Table 15.1 - Rehired Annuitant Situations

Rehired Annuitant Situations			
Employee terminates WRS-covered employment, applies for retirement annuity and returns to work for a WRS-covered employer. One of the following situations may apply:	Is employee entitled to the Annuity? [Wis. Stat. § 40.23 (1) (a) 1. and § 40.26 (5)]	Is the new period of employment considered participating employment? [Wis. Stat. § 40.22 (3m) and § 40.26 (5)]	Does a <i>WRS Enrollment</i> (ET-2316) or <i>Rehired Annuitant Election</i> (ET-2319) apply? [Wis. Stat. § 40.22 and § 40.26 (1)]
1. Employee returns to work for the <u>same</u> employer without fulfilling the minimum break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	No	Yes*	ET-2316
2. Employee returns to work for the <u>same</u> employer without fulfilling the minimum break in service and works less than 30 calendar days.	No	Yes*	ET-2316 (Or complete an <i>Employee Transaction Report</i> , ET-2533, with the new term date.)
3. Employee returns to work for the <u>same</u> employer without fulfilling the minimum break in service and employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	No	Yes	ET-2316
4. Employee returns to work for the <u>same</u> employer after fulfilling the minimum required break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	No	Neither
5. Employee returns to work for the <u>same</u> employer after fulfilling the minimum required break in service and employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	1. Yes, if employee elects coverage (annuity will be discontinued). 2. No, if employee declines coverage.	1. ET-2319 2. ET-2319
6. Employee returns to work for a <u>different</u> employer without fulfilling the minimum break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	No	Neither
7. Employee returns to work for a <u>different</u> employer without fulfilling the minimum break in service and employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	No	Yes	ET-2316

Rehired Annuitant Situations			
Employee terminates WRS-covered employment, applies for retirement annuity and returns to work for a WRS-covered employer. One of the following situations may apply:	Is employee entitled to the Annuity? [Wis. Stat. § 40.23 (1) (a) 1. and § 40.26 (5)]	Is the new period of employment considered participating employment? [Wis. Stat. § 40.22 (3m) and § 40.26 (5)]	Does a <i>WRS Enrollment</i> (ET-2316) or <i>Rehired Annuitant Election</i> (ET-2319) apply? [Wis. Stat. § 40.22 and § 40.26 (1)]
8. Employee returns to work for a <u>different</u> employer after fulfilling the minimum required break in service and employment is <u>not</u> expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	No	Neither
9. Employee returns to work for a <u>different</u> employer after fulfilling the minimum required break in service and employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	1. Yes, if employee elects coverage (annuity is discontinued). 2. No, if employee declines coverage.	1. ET-2319 2. ET-2319
10. Employee returns to work for the <u>same</u> or a <u>different</u> employer within the minimum required break in service after receiving a minimum annuity benefit (lump sum), and employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	No	Yes	ET-2316
11. Employee returns to work for the <u>same</u> or <u>different</u> employer after fulfilling the minimum required break in service, after receiving a minimum annuity benefit (lump sum), and employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	Yes	ET-2316
12. Employee returns to work for a WRS covered employer, after receiving a Minimum Annuity Benefit (lump-sum), and within 30 days of termination or within 30 days of the date the benefit application was received by ETF. Employee is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	No	Yes	ET-2316
13. Employee returns to work for a WRS covered employer, after receiving a Minimum Annuity Benefit (lump-sum), and after fulfilling the 30 day break in service. Employment is expected to require at least 600 hours per year (440 hours for teachers) and to last at least one year.	Yes	Yes	ET-2316

- Wis. Stat. §40.22 (3m) states, "Any employee who becomes a participating employee shall continue to be a participating employee . . . for periods of subsequent employment with that state agency or other participating employer . . . unless the employment . . . is terminated for 12 or more consecutive calendar months or unless the employee receives a benefit . . . ". In this situation, the benefit is invalid so the employee continues to be eligible for WRS regardless of working less than 30 days.

B. Advising the Annuitant of the Election Option

The employer must advise the employee of the right to elect WRS coverage, if the employee is receiving an annuity from the WRS and the position meets WRS eligibility criteria. Each employee should be made aware of the impact on life and health insurance coverage, if applicable. Refer to Subchapter 1502 for additional information.

C. Reporting Rehired Annuitants Who Elect to Return to WRS Coverage

The employer and employee must complete the *Rehired Annuitant Election* (ET-2319) and send it to ETF if the employee elects to participate in the WRS. The employee's annuity will be canceled and WRS participation will be effective the first of the month following ETF's receipt of the election.

The employer and employee will receive an acknowledgment copy of the ET-2319 indicating the date WRS participation begins. It is important that the employer submit the election form to ETF within one week of hire or any future election. Copies of the *Rehired Annuitant Election* can be obtained by calling ETF Supply and Mail Services at (608) 266-3302. The ET-2319 is also available on ETF's Internet Web site at <http://etf.wi.gov> under Employer/Employer Forms/WRS.

D. Reporting Rehired Annuitants Who Choose Not to Return to WRS Coverage

Even if the employee chooses not to return to WRS coverage, the employer and employee must complete the ET-2319 and return it to ETF within one week of hire. All other information, including the employee's hire date must be completed so ETF can verify that the minimum break in service occurred before the employee returned to work. An exception to this is when a WRS annuitant is being hired into a WRS ineligible position and is not a prior employee of the employer.

E. Annuitant Participation After Minimum Annuity Benefit (Lump-Sum)

If the employee receives a minimum WRS Annuity Benefit, fulfills the 30 day break in service, and their position meets the criteria for WRS coverage, then the employer **must** enroll this person in the WRS. This person is treated as a new participating employee for all purposes.

1501 Completing the *Rehired Annuitant Election* (ET-2319)

Reporting Requirements - The following information must be entered on your report when applicable. Refer to the sample in Subchapter 1501A.

Table 15.2 - Rehired Annuitant Election Form Fields

Field	Field Title	Instructions
1	SOCIAL SECURITY NUMBER	Obtain the employee's Social Security Number directly from the employee's Social Security card. Attach a copy of the Social Security card if available.
2	EMPLOYEE NAME	Enter the last name, first name, and middle initial.
3	SEX	Check the appropriate box.
4	BIRTHDATE	Enter the date as it appears on the birth certificate (MM/DD/CCYY).
5	ADDRESS	Enter employee's permanent home address.
6	EMPLOYER NAME	State of Wisconsin agencies - enter the name of the agency. All other employers are to enter the name exactly as printed on their <i>WRS Monthly Retirement Remittance Reports</i> (ET-1515).
7	STATEMENT OF BENEFITS DISTRIBUTION CODE	Use of this code is optional. A six digit numeric code is available to sort <i>Statement of Benefits</i> into desired units, departments, etc. Less than six digits may also be indicated.
8	ETF EMPLOYER I.D. NUMBER	Enter your seven-digit EIN (XXXX-XXX) as shown on your <i>WRS Monthly Retirement Remittance Report</i> (ET-1515).
9	HIRE/REHIRE DATE	Enter the date the employee returned to employment.
10	EMPLOYMENT CATEGORY	Determine the appropriate Employment Category from the categories listed in Subchapter 307.
11	EMPLOYEE ELECTION	The employee must check the appropriate box to elect, or not elect, WRS participation.
12	EMPLOYEE SIGNATURE AND DATE	The employee must sign and date the form to validate the election to participate or not participate.
13	SIGNATURE AND TITLE OF AGENT AND DATE	Only the WRS agent (or alternate agent) is authorized to sign this form. By signing the form, the agent is certifying that the information regarding this employee is correct. See Subchapter 202.

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A. Sample Rehired Annuitant Election (ET-2319)

Department of Employee Trust Funds
Wisconsin Retirement System (WRS)
P.O. Box 7931
Madison, WI 53707-7931

REHIRED ANNUITANT ELECTION

Wis. Stat. § 40.26 (1)

PLEASE TYPE OR PRINT IN BLACK

Please refer to Chapter 15 of the WRS Employer Manual for instructions on completing this form.

Employee Name (Last, First, Middle)		2	Social Security Number		1	
Address (Street, City, State, Zip)		5	Sex	3	Birthdate (MM/DD/CCYY)	4
Employer Name (if State of Wisconsin, include department)		6	Statement of Benefits Distrib. Code		7	
ETF Employer ID No.	8	Hire/Rehire Date (MM/DD/CCYY)	9	FOR ETF ONLY Date WRS Participating Employment Begins (Mo/Day/Yr)		
69-036-			Report Date (To be completed by ETF)			
			WRS Term Date:			
			Benefit App. Rec'd.:			
			Benefit Effec. Date:			

EMPLOYMENT CATEGORY

<input type="checkbox"/> 00 General Employee	<input type="checkbox"/> 07 Court of Appeals Judge
<input type="checkbox"/> 01 Court Reporter	<input type="checkbox"/> 08 Circuit Judge
<input type="checkbox"/> 02 State Exec. Retirement Plan (Wis. Stat. § 20.923 (4), (8) or (9))	<input type="checkbox"/> 09 Elected Official or Appointed to Fill an Elected Office
<input type="checkbox"/> 03 Protective Occupation Under Social Security	<input type="checkbox"/> 10 Teacher
<input type="checkbox"/> 04 Protective Occupation Not Under Social Security	<input type="checkbox"/> 11 Executive Teacher
<input type="checkbox"/> 05 Supreme Court Justice	<input type="checkbox"/> 12 Educational Support Personnel
<input type="checkbox"/> 06 Legislator or State Constitutional Officer	

Employee Election

☐ I elect to participate in WRS as an active employee pursuant to Wis. Stat. § 40.26 (1). I certify I have remained terminated from all WRS participating employment beginning with my date of termination and ending on the latest of the following dates:

- the day after the annuity effective date, or
- the 31st day after the termination date, or
- the 31st day after ETF receives the benefit application.

I understand my WRS annuity will be terminated and WRS coverage will begin effective on the first of the month after ETF receives this election. I understand this election can be revoked only if ETF receives my written request to withdraw this election no later than the day prior to the day WRS coverage would resume. I will be eligible to reapply for a retirement annuity only when I terminate all covered WRS employment.

☐ I do not elect to participate in WRS as an active employee pursuant to Wis. Stat. § 40.26 (1). I certify I have remained terminated from all WRS participating employment beginning with my date of termination and ending on the latest of the following dates:

- the day after the annuity effective date, or
- the 31st day after the termination date, or
- the 31st day after ETF receives the benefit application.

I understand I may elect active WRS coverage at any future time, as long as I meet the eligibility standards for participation, by filing a new copy of this form.

EMPLOYEE MUST SIGN HERE →	Signature of Employee (in ink)	12	Date
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AGENT MUST SIGN HERE	I hereby certify the named is an employee of this participating employer who meets the eligibility standards for participation in the Wisconsin Retirement System as defined in Wis. Stat. § 40.22, and is an "employee" as defined in Wis. Stat. § 40.26 at this time. I understand that Wis. Stat. § 943.395 provides criminal penalties for knowingly making false or fraudulent claims on this form and hereby certify that, to the best of my knowledge and belief, the above information is true and correct. I certify that I am responsible for reporting coverage information to the Wisconsin Retirement System.	
	Signature and Title of Agent	13

ET-2319 (REV 06/2004)

White – ETF Copy Yellow – Employer Copy
Blue – Benefit Copy Pink – Employee Copy

1502 Life and Health Insurance Coverage for Rehired Annuitants

Rehired annuitants eligible for WRS participation have the option to participate in the WRS and may have questions regarding insurance coverage. The following information pertains only to those employers who offer life and/or health insurance through ETF.

A. Life Insurance Coverage for Rehired Annuitants

An annuitant insured under the Wisconsin Public Employer's Program who elects to participate in the WRS may choose to keep the life insurance coverage he or she had as a retiree or enroll in the coverage offered by the employer. If annuitant life insurance coverage is selected, employees who are under age 65 must contact ETF to arrange for continuation of premium payments through direct pay before the annuitant coverage lapses (no premiums are due after age 65). Annuitant life insurance coverage will lapse at the end of the month after the month in which the final annuity payment is received. (Example: If the final WRS annuity check is dated June 1, life insurance coverage lapses July 31.)

If the employee chooses to enroll in the life insurance plans provided by the employer, the employee is subject to the same eligibility rules as all other new employees who have previous WRS service. Applications must be completed and submitted to ETF with the election form ET-2319 no later than 30 days after beginning active WRS participation. Active life insurance coverage will begin on the day after annuitant coverage lapses or, if the employee was not covered for life insurance as an annuitant, coverage becomes effective the first of the month following receipt of the application by the employer.

B. Health Insurance Coverage for Rehired Annuitants

A rehired annuitant electing to return to active WRS participation is **only** eligible for health insurance coverage through the active employer. An annuitant rehired by an employer that participates in WRS but does not offer health insurance to its employees, will lose health insurance coverage as an annuitant by electing to participate in WRS.

Medicare is the primary payer for an employee over 65 who retains annuitant status. If the employee elects to return to active WRS participation and the employer participates in the Group Health Insurance Program, they may cancel any Medicare coverage but must reenroll when WRS participation terminates.

Refer to the Rehired Annuitant Chapter in the Group Health Insurance Employer Administration Manual for further information.

C. Income Continuation Service (ICI)

A rehired annuitant electing to return to active WRS participation is eligible to participate in the ICI Program. The criteria for enrollment of a rehired annuitant is the same as that for any eligible employee. See Chapter 3 of the ICI Administration Manual.

1503 Disability Annuitants

A participant receiving a disability annuity cannot actively participate in the WRS until the individual is no longer eligible for the disability annuity as medically certified. Once the disability annuity is terminated, if the employee meets the WRS eligibility requirements the employee is treated as an active WRS covered employee. The employee is eligible for insurance and WRS contributions must be remitted on their WRS earnings.

1504 Waiver of Part-time Elected Service

Part-time elected service is defined as 1,044 hours or less per calendar year (Wis. Stat. §40.23 (1) (am)). Elected officials under the WRS who are covered for both part-time elected service and other WRS covered employment may receive an annuity only after terminating the other WRS employment and waiving rights to further WRS participation for their part-time elected service.

A WRS annuitant who returns to work during the required break in service as a part-time elected official may waive participation in the WRS to avoid cancellation of the annuity.

The waiver becomes effective the day after the waiver is received by ETF or the date all WRS covered employment other than service as a part-time elected official is terminated, whichever is later. **This waiver is irrevocable.** ETF will contact you with the termination information you need to report for WRS purposes.

If a WRS annuitant returns to work as a part-time elected official at more than one WRS participating employer, a waiver must be submitted at each employer for which the annuitant wishes to waive WRS participation. The waiver effective date mentioned in the previous paragraph will be based on the first *Waiver of Part-Time Elected Service* (ET-4303) received by ETF. This form is available upon request and appears on the next page. This form is to be completed by the employer and employee. All three copies should be submitted to the address at the top of the form. The employer and employee will receive acknowledgment copies.

1505 Sample of Waiver of Part-Time Elected Service (ET-4303)

Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931

**WAIVER OF PART-TIME
ELECTED SERVICE**

Wis. Stat. § 40.23 (1) (am)


INSTRUCTIONS:

1. Complete identifying information.
2. Have your employer complete the Employer Certification.
3. Sign and date.
4. Send the completed copy to the address above. If you are applying for a benefit from the WRS, send this form with your benefit application.
5. A separate waiver must be filed at each employer at which you wish to waive Wisconsin Retirement System (WRS) participation as an elected official.

IDENTIFYING INFORMATION
Soc. Sec. No.
Name
Employer
Employer Number 69-036
For ETF Use Only <input type="checkbox"/> Annuitant <input type="checkbox"/> Active Employer

Employer Certification

As the designated agent for the above-named employer, I hereby certify that the above-named employee is an elected official whose position requires less than 1,044 hours per calendar year, and is not employed by us in any other capacity.


SIGN HERE 	Date (MM/DD/CCYY)	Signature of Employer Agent (in ink)
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Employee Waiver

I hereby certify that I am at least 55 years old and have terminated or will terminate within the next 90 days all WRS-covered employment other than service as a part-time elected official and that my part-time elected official position requires less than 1,044 hours per calendar year.

I hereby irrevocably waive further participation in the WRS for my current, and any future, service as an elected official which does not exceed 1,044 hours per year.

I understand that this waiver will become effective on the day after it is received by the Department of Employee Trust Funds (ETF), or, if more than one waiver is being submitted, on the first day after the first waiver is received by ETF, and that date, or the date I have terminated all WRS-covered employment other than service as a part-time elected official, whichever is later, will be my WRS termination date.

SIGN HERE 	Date (MM/DD/CCYY)	Signature of Part-Time Elected Official (in ink)	Telephone Number
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